

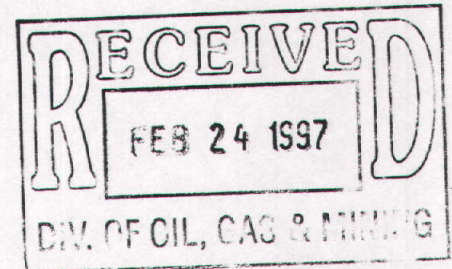
ATTACHMENT B

MR FORM 5
June 10, 1996

Bond Number _____
Permit Number M/053/004
Mine Name Apex Mine

Duplicate Original

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Cominco American Incorporated, as Principal, and United States Fidelity and Guaranty Company as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) in the penal sum of Forty Eight Thou Two Hund dollars (\$ 48,200.00).

Principal has estimated in the Mining and Reclamation Plan approved by the Division on the 24th day of August, 19 84, that 9 acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereto set their signatures and seals as of the dates set forth below.

Cominco American Incorporated
Principal (Permittee)

January 8, 1997

Date

R. S. Hallett
By (Name typed):

Assistant Secretary
Title

R. S. Hallett
Signature

Surety Company
United States Fidelity and Guaranty Company
6225 Smith Ave., Baltimore, MD 21209

January 8, 1997

Date

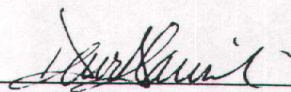
Company Officer
Ava M. Schaefer
Attorney-in-Fact
Title/Position

Ava M. Schaefer
Signature

Bond Number _____
Permit Number M/053/004
Mine Name Apex Mine

SO AGREED this 26TH day of FEBRUARY, 1997.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:



Dave D. Lauriski, Chairman
Utah State Board of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION

On the 8th day of January, 1997, personally appeared before me
Ava M. Schaefer who being
by me duly sworn did say that he/she, the said Ava M. Schaefer is the
Attorney-in-Fact of United States Fidelity and and duly
Guaranty Company
acknowledged that said instrument was signed on behalf of said company by authority of its
bylaws or a resolution of its board of directors and said
Ava M. Schaefer duly acknowledged to me that said company
executed the same, and that he/she is duly authorized to execute and deliver the foregoing
obligations; that said Surety is authorized to execute the same and has complied in all
respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking
and obligations.

Signed: Ava M. Schaefer
Surety Officer Ava M. Schaefer

Title: Attorney-in-Fact

STATE OF Kentucky)
) ss:
COUNTY OF State at Large)

Subscribed and sworn to before me this 8th day of January, 1997.

Frieda Cyrus
Notary Public
Residing at: Lexington, Kentucky

My Commission Expires:

8-11, 1998

United States Fidelity and Guaranty Company

Power of Attorney

No. 109897



Know all men by these presents: That **United States Fidelity and Guaranty Company**, a corporation organized and existing under the laws of the State of Maryland and having its principal office at the City of Baltimore, in the State of Maryland, does hereby constitute and appoint **James H. Godfrey, Jr., Phillip S. McCrorie and Ava M. Schaefer**

of the City of Lexington , State of Kentucky its true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Company in its business of guaranteeing the fidelity of persons; guaranteeing the performance of contracts; and executing or guaranteeing bonds and undertaking required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, the said **United States Fidelity and Guaranty Company**, has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its Vice President and Assistant Secretary, this 7th day of June , A.D. 1996.



United States Fidelity and Guaranty Company,

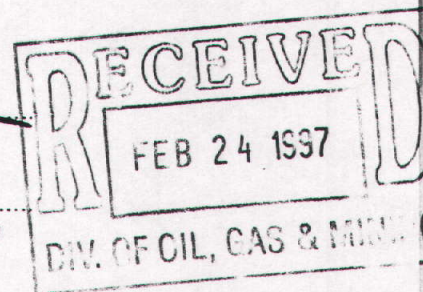
(Signed) By James H. Godfrey, Jr. Vice President

(Signed) By Thomas J. Fitzgerald Assistant Secretary

SS:

State of Maryland)

Baltimore City)



On this 7th day of June , A.D. 1996 , before me personally came Gary A. Wilson, Vice President of **United States Fidelity and Guaranty Company**, and Thomas J. Fitzgerald, Assistant Secretary of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said Gary A. Wilson and Thomas J. Fitzgerald were respectively the Vice President and the Assistant Secretary of the said **United States Fidelity and Guaranty Company**, the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as Vice President and Assistant Secretary, respectively, of the Company.

My Commission expires the 1st day of August A.D. 1998.

(Signed) By Erma L. Lubright Notary Public

This Power of Attorney is granted under and by authority of the following Resolutions adopted by the Board of Directors of the **United States Fidelity and Guaranty Company** on September 24, 1992:

Resolved, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by persons or entities appointed as Attorney(s)-in-Fact pursuant to a Power of Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman, or the President, or an Executive Vice President, or a Senior Vice President, or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing in and attesting bonds and undertakings and other writings obligatory in the nature thereof, and, unless subsequently revoked and subject to any limitations set forth therein, any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

Resolved, That Attorney(s)-in-Fact shall have the power and authority, unless subsequently revoked and, in any case, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, Thomas J. Fitzgerald, an Assistant Secretary of the **United States Fidelity and Guaranty Company**, do hereby certify that the foregoing are true excerpts from the Resolutions of the said Company as adopted by its Board of Directors on September 24, 1992 and that these Resolutions are in full force and effect.

I, the undersigned Assistant Secretary of the **United States Fidelity and Guaranty Company**, do hereby certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Testimony Whereof, I have hereunto set my hand and the seal of the **United States Fidelity and Guaranty Company**, on this 8th day of January, 1997



Assistant Secretary